

**NARBHA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF:** December 31, 2008

**ASSETS**

**CURRENT ASSETS**

<b>101</b> Cash (Disclose on Schedule A)	\$24,752,802
<b>102</b> Current Investments	
<b>103</b> Accounts Receivable (net) (Disclose on Schedule A)	\$1,183,550
<b>104</b> Notes Receivable (current portion)	\$129,337
<b>105</b> Prepaid Expenses	\$149,965
<b>106</b> Other Current Assets (Disclose on Schedule A)	\$41,725
<b>107</b> Total Current Assets	\$26,257,379

**NON-CURRENT ASSETS**

<b>108</b> Land	1,367,208
<b>109</b> Building	4,515,962
<b>110</b> Leasehold Improvements	-
<b>111</b> Furniture and Equipment	2,011,113
<b>112</b> Vehicles	306,632
<b>113</b> Total Property and Equipment	\$8,200,915
<b>114</b> Less: Accumulated Depreciation	2,517,414
<b>115</b> Net Property and Equipment	\$5,683,501
<b>116</b> Notes Receivable (net of current portion)	\$23,114
<b>117</b> Performance Bond (Disclose on Schedule A)	
<b>118</b> Long Term Investments	
<b>119</b> Deposits	
<b>120</b> Other Noncurrent Assets (Disclose on Schedule A)	-
<b>121</b> Total Noncurrent Assets	\$5,706,615
<b>122</b> TOTAL ASSETS	\$31,963,994

**LIABILITIES AND NET ASSETS/EQUITY**

**CURRENT LIABILITIES**

<b>201</b> Incurred But Not Reported Claims (Disclose on Sch. A)	\$777,682
<b>202</b> Reported But Unpaid Claims	-
<b>203</b> Payable to ADHS (Disclose on Schedule A)	\$1,966,309
<b>204</b> Other Amounts Payable to Providers	5,201,439
<b>205</b> Trade Accounts Payable	75,976
<b>206</b> Accrued Salaries and Benefits	713,616
<b>207</b> Long-term Debt (current portion)	13,526
<b>208</b> Deferred Revenue (Disclose on Schedule A)	\$113
<b>209</b> Risk Pool Payable	
<b>210</b> Other Current Liabilities (Disclose on Schedule A)	\$538,786
<b>211</b> Total Current Liabilities	\$9,287,447

**NON-CURRENT LIABILITIES**

<b>212</b> Long-term debt (net of current portion)	30,762
<b>213</b> Loss Contingencies (Disclosed on Schedule A)	\$0
<b>214</b> Other Noncurrent Liabilities (Disclose on Schedule A)	\$0
<b>215</b> Total Noncurrent Liabilities	\$30,762
<b>216</b> TOTAL LIABILITIES	\$9,318,209
<b>217</b> NET ASSETS/EQUITY	
Unrestricted Net Assets	22,645,785
Restricted Net Assets (Disclose on Schedule A)	\$0

<b>218</b> TOTAL LIABILITIES AND NET ASSETS/EQUITY	<b>\$31,963,994</b>
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**NARBHA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF: December 31, 2008**  
**Schedule A Disclosures**

**ASSETS:**

**Cash**

	Unrestricted	24,752,802
	Restricted	
Total Cash		<u><u>\$24,752,802</u></u>

**Accounts Receivable**

**ADHS**

	Program ID	Category ID	
Current Year	NTXIX/XXI SMI		\$222,930
	NTXIX/XXI Child		(25,056)
	NTXIX/XXI Child	Coaching&Training	48,193
	Substance Abuse		312,920
	TXIX DD Adult		154,308
	TXIX DD Child		123,152
	Prevention Intervention		46,232
	TXIX Child	MMWIA	4,100
Prior Year	TXXI Child		231,446

**Non-ADHS &/or Unrelated Business**

Current Year		
	Billings to RA's	22,085
	Miscellaneous receivables	43,240

Prior Year

**Allowance for Doubtful Accounts**

Total Accounts Receivable	<u><u>\$1,183,550</u></u>
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**Other Current Assets (Detail of Line 106)**

	ST. Comp Deposit	\$2,938
	Insurance paid by BHIP	\$38,787
Total Other Current Assets		<u><u>\$41,725</u></u>

**Other Noncurrent Assets (Detail of Line 120)**

Total Other Noncurrent Assets	<u><u>-</u></u>
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**PERFORMANCE BOND:**

Met with a surety bond purchased from Fidelity and Deposit Company of Maryland in the amount of \$4,455,908 and an irrevocable letter of credit from Compass Bank in the amount of \$8,320,999

**Adjustments:**

**Payables to ADHS - Other\* Category**

Unearned FY07 Flex Funds

**Explain ≥10% fluctuation in account from prior period**

**Cash** - Increase primarily due to receipt of cap rate adjustments for July-September.

**Accounts Receivable** - Decrease primarily due to receipt of TXIX ADHS cap rate adjustment.

**Prepaid Expenses** - Decrease primarily due to expensing of prepaid maintenance contracts and membership dues.

**Other Current Assets** - Decrease due to expensing insurance for the quarter.

**Notes Receivable (long-term)** - Decrease due to reclass to short-term.

**Payable to Providers** - Increase primarily due to cap rate adjustments not yet allocated on System Budget.

**Trade Accounts Payable** - Decrease primarily due to payment of large invoices received at the end of September.

**Salaries and Benefits** - Increase due to six more days accrued in December than in September.

**Long-Term Debt (current and long-term)** - Decrease due to payoff of mortgage.

**Deferred Revenue** - Decrease due to flex funds earned and most of the HB 2003 child training.

**LIABILITIES:**

**IBNR Claims Estimate**

Current Year	
FY 09	\$663,000

Prior Year(s)	
FY 08	\$114,682

Total IBNR	<u><u>\$777,682</u></u>
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**Payable to ADHS (Detail of Line 203)**

	Program ID	Category ID	
Current Year			
		Sanctions	\$0
Prior Year			
	TXIX Child	Withhold	\$577,426
	TXIX CMDP	Withhold	\$306,094
	TXIX DD Child	Withhold	\$36,453
	TXIX SMI	Withhold	\$959,058
	TXXI Adult	Profit/Risk Corridor	\$4,752
	HIFA II SMI	Profit/Risk Corridor	\$82,526

Total Payable to ADHS	<u><u>\$1,966,309</u></u>
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**Deferred Revenue from: (Detail of Line 208)**

	Program ID	Category ID	
ADHS			
Current Year			
Prior Year			
	HB2003 Child	Coaching & Training	\$113

**Non-ADHS &/or Unrelated Business**

Current Year

Other

Prior Year

Total Deferred Revenue	<u><u>\$113</u></u>
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**Other Current Liabilities (Detail of Line 210)**

	Payable to BHIP	\$38,786
	Community Reinvestment	500,000
Total Other Current Liabilities		<u><u>\$538,786</u></u>

**Loss Contingencies (Detail of Line 213)**

Identify Loss Contingencies

Total Loss Contingencies	<u><u>\$0</u></u>
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**Other Noncurrent Liabilities (Detail of Line 214)**

Identify Other Noncurrent Liabilities

Total Other Noncurrent Liabilities	<u><u>\$0</u></u>
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**Restricted Net Assets (Detail of Line 217)**

Identify Restricted Net Assets

Total Restricted Net Assets	<u><u>\$0</u></u>
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NARBHA

STATEMENT OF CHANGES IN NET ASSETS / EQUITY

AS OF : December 31, 2008

		Net Assets /	
		Retained	
Beginning Balance:	July 1, 2008	Earnings	Total
		20,389,256	20,389,256
* Net Surplus / Net Earning for the period ended:	December 31, 2008	2,256,529	2,256,529
Dividends Declared			-
** Prior Period Adjustments			-
Ending Balance:			-
		\$	- \$
		\$	- \$
		\$	22,645,785
		\$	22,645,785

\* Net of dividends declared

\*\* Disclosure of Prior Period Adjustments

STATEMENT OF ACTIVITIES		December 31, 2008																						
YEAR TO DATE AS OF:																								
*DISCLOSE ON SCHEDULE A																								
		TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
REVENUES																								
401	Revenue Under ADHS Contract																							
a	ADHS Revenue	13,975,874	6,993,716	1,231,876	819,161	749,937	3,845	21,954,710	1,143,506	4,490,544	46,007	21,213	6,091	14,654,378	84,457	160,437	2,166,633	480,581	900	78,627	0	69,062,493	0	69,062,493
b	ADHS Revenue - Qualifying Incentive Payments																				0	0	0	
402	Specialty & Other Grants*	4,100																			0	4,100	0	4,100
403	Client Fees (Co-pays)																					0	0	0
404	Third Party Recoveries																							
a	Medicare																					0		0
b	Other Insurance																					0		0
405	Interest Income																					0	174,449	174,449
406	Other Funding Sources - Non ADHS*																				0	0	44,882	44,882
407	Unrelated Business Activities*															0	0	0				0	221,977	221,977
408	TOTAL REVENUE	13,979,974	6,993,716	1,231,876	819,161	749,937	3,845	21,954,710	1,143,506	4,490,544	46,007	21,213	6,091	14,654,378	84,457	160,437	2,166,633	480,581	900	78,627	0	69,066,593	441,308	69,507,901
EXPENSES																								
Service Expenses:																								
501	Treatment Services																							
a	Counseling																							
1	Counseling, Individual	668,564	384,448	27,713	32,225	45,280		592,414	28,332	61,612	3,281	263	1,078	662,684	3,482	11,351	64,658					2,587,385		2,587,385
2	Counseling, Family	438,324	193,464	25,793	18,656	29,066		28,187	3,086	3,119	0	407	0	36,147	139	263	4,615					781,266		781,266
3	Counseling, Group	50,134	50,134	58	4,310	1,415		113,564	4,631	15,654	0	0	164	334,540	1,801	559	116,509					686,237		686,237
b	Consultation, Assessment & Specialized Testing	652,269	167,927	70,000	69,854	29,520		304,800	30,020	37,464	0	3,478	819	841,535	9,122	15,869	125,393					2,358,170		2,358,170
c	Other Professional	0	0	636	27,115	0		0	0	7,398	0	0	0	0	0	4,403	10,406					49,958		49,958
d	Total Treatment Services	1,802,055	795,973	124,200	152,160	105,281	0	1,039,065	66,069	125,248	3,281	4,149	2,061	1,874,906	14,543	32,444	321,581	0	0	0	0	6,463,016	0	6,463,016
502	Rehabilitation Services																							
a	Living Skills Training	1,451,572	473,953	121,575	34,271	51,161		1,120,444	27,207	47,381	1,002	0	314	389,371	1,474	2,675	183,646					3,906,046		3,906,046
b	Cognitive Rehabilitation	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0					0		0
c	Health Promotion	15,140	9,415	0	697	7		84,347	903	4,638	0	0	0	215,972	0	952	134,080					466,150		466,150
d	Supported Employment Services	2,205	0	0	0	0		127,890	1,194	8,320	395	676	0	8,427	0	0	0					149,106		149,106
e	Total Rehabilitation Services	1,468,917	483,368	121,575	34,968	51,168	0	1,332,681	29,304	60,339	1,397	676	314	613,769	1,474	3,628	317,725	0	0	0	0	4,521,302	0	4,521,302
503	Medical Services																							
a	Medication Services	2,239	0	258	0	0		136,843	729	3,898	0	0	209	895,995	549	17	17,203					1,057,939		1,057,939
b	Medical Management	491,098	82,603	41,859	18,331	33,004		1,243,242	73,541	160,050	5,273	1,897	184	778,945	11,606	19,086	37,205					2,997,926		2,997,926
c	Laboratory, Radiology & Medical Imagin	8,537	1,207	802	119	673		1,876	3,935	63	73	0	0	27,512	367	200	1,724					79,779		79,779
d	Electro-Convulsive Therapy	0	0	0	0	0		1,454	0	0	0	0	0	0	0	0	0					1,454		1,454
e	Total Medical Services	501,874	83,810	42,919	18,450	33,677	0	1,414,229	76,146	167,883	5,336	1,970	393	1,702,451	12,522	19,304	56,132	0	0	0	0	4,137,098	0	4,137,098
504	Support Services																							
a	Case Management	2,791,126	1,629,889	235,630	154,625	162,703		3,619,766	208,793	352,006	12,258	5,827	2,006	2,043,032	17,888	39,758	241,775					11,517,081		11,517,081
b	Personal Assistance	57,299	7,163	64,437	0	198		191,200	1,653	6,960	0	0	0	296,005	1,456	34	96,725					723,130		723,130
c	Family Support	405,885	191,445	48,390	10,608	21,326		5,094	227	0	0	0	0	18,843	0	38	221					702,078		702,078
d	Peer Support	3,669	329	138	124	15		399,661	4,373	23,712	413	0	0	75,102	71	269	55,235					563,111		563,111
e	Home Care Training to Home Care Client	731,207	1,127,815	0	15,795	69,972		0	0	0	0	0	0	0	0	0	0					1,944,789		1,944,789
f	Respite Care	625,099	312,941	19,021	37,641	32,208		0	0	0	0	0	0	11,159	0	0	0					1,038,069		1,038,069
g	Housing Support	0	0	0	10,159	0		0	0	22,684	0	0	0	0	0	2,631	8,316					43,789		43,789
h	Interpreter Services	0	0	0	3,334	0		0	0	229	0	0	0	0	0	739	0					4,302		4,302
i	Flex Fund Services	0	0	0	22,746	0		0	0	3,690	0	0	0	0	0	0	5,037					31,473		31,473
j	Transportation	495,682	136,976	28,124	19,486	11,463		1,010,876	24,067	65,652	733	0	19	1,019,900	1,935	7,513	106,722					2,929,149		2,929,149
k	Block Purchase NTXX Consumer Drop In Cente	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0					0		0
l	Total Support Services	5,109,967	3,406,558	395,740	274,518	297,885	0	5,226,597	239,114	474,933	13,403	5,827	2,025	3,464,042	21,350	50,982	514,030	0	0	0	0	19,496,971	0	19,496,971
505	Crisis Intervention Services																							
a	Crisis Intervention - Mobile	45,479	33,386	3,330	9,318	3,392		97,130	5,831	8,482	0	0	0	102,315	0	14,140	20,940					343,744		343,744
b	Crisis Intervention - Stabilization	0	389	0	0	0		1,472	0	0	0	0	0	550	0	0	0					2,411		2,411
c	Crisis Intervention - Telephone	29,594	7,398	0	8,782	1,964		34,522	7,695	408	49	0	0	24,171	321	7,744	865					123,513		123,513
d	Total Crisis Intervention Services	75,073	41,173	3,330	18,100	5,356	0	133,12																

NARBHA  
STATEMENT OF ACTIVITIES  
YEAR TO DATE AS OF:

December 31, 2008

\*DISCLOSE ON SCHEDULE A

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
Administrative Expenses:																							
601 Salaries	549,518	262,055	85,263	30,326	29,392	14	841,839	51,800	149,416	1,778	1,316	156	581,334	2,990	4,571	114,879	43,206	0	16,871	0	2,766,724	6,283	2,773,007
602 Employee Benefits	158,340	75,945	23,543	8,691	8,428	4	242,813	14,545	43,224	532	340	47	163,602	849	1,263	33,174	12,187	0	6,085	0	793,612	481	794,093
603 Professional & Outside Services	55,706	26,310	5,066	10,744	2,856	0	82,153	4,005	14,828	165	85	10	53,917	312	346	7,207	2,723	0	670	0	267,103	100	267,203
604 Travel	11,279	4,647	2,285	1,374	578	0	14,809	897	2,906	34	22	4	10,642	49	91	3,213	1,094	0	1,111	0	55,035	0	55,035
605 Occupancy	28,450	14,022	4,144	1,515	1,467	0	45,030	2,960	8,318	105	71	10	30,655	163	231	4,804	4,308	0	450	0	146,703	0	146,703
606 Depreciation	33,909	16,141	2,900	1,887	1,734	1	50,854	2,700	8,506	111	50	11	47,414	190	223	18,194	1,135	0	402	0	186,362	0	186,362
607 All Other Operating*	99,233	47,147	10,360	6,122	5,107	270	148,081	8,162	24,627	317	168	36	99,318	551	664	14,205	5,115	0	1,518	0	471,001	861	471,862
608 Subtotal ADHS Administrative Expenses	936,435	446,267	133,561	60,659	49,562	289	1,425,579	85,069	251,825	3,042	2,052	274	986,882	5,104	7,389	195,676	69,768	0	27,107	0	4,686,540	7,725	4,694,265
650 Encounter Withhold Expenses*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
651 Non ADHS and/or Unrelated Admin. Expense*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	349,610	349,610
652 Subtotal Administrative Expense	936,435	446,267	133,561	60,659	49,562	289	1,425,579	85,069	251,825	3,042	2,052	274	986,882	5,104	7,389	195,676	69,768	0	27,107	0	4,686,540	357,335	5,043,875
701 Unrelated Business Expenses*															0	0	0				0	0	0
790 Income Tax Provisions																							
a ADHS Income Tax Provision																						0	0
b Non ADHS Income Tax Provision																						0	0
799 Subtotal Income Tax Provision	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
800 TOTAL EXPENSES	13,420,747	6,919,026	1,233,692	837,993	719,008	3,845	21,025,158	1,105,478	4,404,525	45,499	21,107	5,792	14,070,062	82,908	160,086	2,201,259	529,266	900	107,689	0	66,894,037	357,335	67,251,372
801 INC(DEC) IN NET ASSETS/EQUITY	559,227	74,690	(1,816)	(18,832)	30,929	0	929,552	38,028	86,019	508	106	299	584,316	1,549	351	(34,626)	(48,685)	0	(29,062)	0	2,172,556	83,973	2,256,529

\*Disclose on Schedule A

## December 31, 2008

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN/MGMT/ GEN	TOTAL
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**ADJUSTMENTS**  
(Disclose and describe any adjustments to previously submitted financial statements including those that affect the current financial statements)

Disclosures:  
1. There is a timing difference in Provider Support so there is a temporary loss being reported.  
The audit fees are recognized as a provider support expense when paid but the revenue for provider support is recognized for six months on an annualized amount.

**Analysis:**  
(Compare prior quarter activity to current quarter activity for each column [program] and each row major category of service.)

**NARBHA****STATEMENT OF CASH FLOWS****YEAR TO DATE FOR PERIOD ENDED:**

December 31, 2008

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Changes in Net Assets	2,256,529
Adjustments to Reconcile Excess of Revenue Over/(Under) Expenses to Net Cash Provided (Used) by Operating Activities:	
Depreciation and Amortization	190,707
Changes in Operating Assets and Liabilities	
<b>(Increases)/Decreases in Assets:</b>	
Current Investments	
Receivables	506,517
Inventory & Prepaid Expenses	71,189
Interest Receivable	
Deposits	1,317
Other	-
<b>Increases/(Decreases) in Liabilities:</b>	
IBNR	97,682
RBUC	
Accounts Payable to ADHS	(28,786)
Accounts Payable to Providers	4,585,632
Interest Payable	-
Trade Accounts Payable	(262,044)
Accrued Salaries & Benefits	83,424
Unearned Revenue	(29,601)
Other Current Liabilities	(77,576)

<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<hr/> 7,394,990
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from Sale of Property & Equipment	9,008
Purchases of Property & Equipment	(13,650)
Proceeds from Sales of Investments	-
Purchase of Investments	-

<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<hr/> (4,642)
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**CASH FLOWS FROM FINANCING ACTIVITIES:**

Acquisition of Debt (Describe on Schedule A)	-
Payment of Lease Obligations	(6,474)
Payment of Other Debts (Describe on Schedule A)	(1,934,052)

<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<hr/> (1,940,526)
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<b>NET INCREASE/(DECREASE) IN CASH</b>	5,449,822
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<b>BEGINNING CASH</b>	<hr/> \$19,302,980
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<b>ENDING CASH BALANCE *</b>	<hr/> <hr/> 24,752,802
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**\*NOTE: ENDING CASH BALANCE MUST AGREE WITH TOTAL CASH BALANCE ON BALANCE SHEET**



**NARBHA****STATEMENT OF CASH FLOWS****YEAR TO DATE FOR PERIOD ENDED:**

December 31, 2008

**Schedule A Disclosure****Describe:**

1. Sources and amounts of cash received for other grants.

2. Underlying transactions for acquisition of debt.

(Debtor, amount, purpose of loan, term, interest rate of debt acquired during the quarter.)

3. Underlying transactions for retirement of debt.

(Debtor, amount paid off.)

4. Cash Flows From Financing Activities - Payment of Other Debt

Xerox - payments of leases	\$	6,473
Compass Bank - payment of mortgage	\$	1,934,052

5. Supplemental data or non-cash investing and financing activities, gifts, etc.

6. Detail of Depreciation:

Depreciation expense	199,715
Gain on the Sale of Property	<u>(9,008)</u>
Net	<u><u>190,707</u></u>

Since the Gain is an "adjustment to Reconcile Excess of Revenue Over/(Under) Expenses to Net Cash Provided (Used) by Operating Activities" it is netted with Depreciation since a line cannot be added to the Statement of Cash Flows.